

DOCKET FILE COPY ORIGINAL

REED SMITH SHAW & McCLAY

FAX 202-457-6113
TELEX NO. 64711

1200 18TH STREET, N.W.
WASHINGTON, D.C. 20036

202-457-6100

PITTSBURGH, PA
PHILADELPHIA, PA
HARRISBURG, PA

WRITER'S DIRECT DIAL NUMBER

RECEIVED

RECEIVED

REED SMITH SHAW & McCLAY

William F. Caton
August 3, 1993
Page 2

To the extent the Commission views the instant filing as untimely, Vitelco respectfully requests that the Commission treat this letter as a motion to accept a late filing. Good cause exists for the grant of such motion. The June 23, 1993, Tariff Order directed certain local exchange carriers ("LECs"), but not Vitelco, to file direct cases by Tuesday, July 27, 1993, demonstrating that their interstate access rates properly reflected the requirements of the GSF Order. See Tariff Order, DA 93-762 at ¶¶ 106 & 112. Three working days prior to that filing deadline, the Commission released the above-noted Erratum, which expanded the list of LECs required to file direct cases to include Vitelco and many other local exchange carriers ("LECs"). Compare Erratum with Tariff Order, Da 93-762 at Appendix B. The short notice provided by the Commission provides grounds for accepting the instant responsive filing at this time. Furthermore, no party participating in the above-captioned investigation will be prejudiced thereby, as the information has been available to all members of the public since Vitelco's June 17, 1993, GSF Order compliance tariff filing.

Please direct to undersigned counsel any questions or correspondence relating to this filing.

Respectfully submitted,



Michael R. Wack

MRW/cpa

Enclosure

cc: Mary L. Brown
Judith A. Nitsche

VIRGIN ISLANDS TELEPHONE CORPORATION

DESCRIPTION AND JUSTIFICATION

JUNE 17, 1993

Introduction

The Virgin Islands Telephone Corporation (the "Company" or "Vitelco") is filing this description and justification in compliance with the rules and regulations of the Federal Communications Commission (the "Commission" or the "FCC"), 47 C.F.R. Section 61.38. This description and justification provides supporting materials for the Company's June 17, 1993, tariff filing for switched and special access. This filing revises the Company's annual access tariff filing issued on April 2, 1993 and effective July 1, 1993 in order to reflect the Commission's report and order, DA 93-238, released May 19, 1993, amending the Part 69 rule that

Revenue requirements were developed for the Part 69 categories of switched traffic sensitive and special access using the Commission's authorized 11.25% rate of return. Following is a comparison of the new revenue requirements to the April 2, 1993 access tariff filing.

Revenue Requirements

000's omitted

	<u>4/2/93</u>	<u>6/17/93</u>	<u>Decrease</u>
<u>Switched Traffic Sensitive:</u>			
1. Transport Termination	\$1,907	\$1,515	\$392
2. Transport Facility	1,075	871	204
3. Local Switching	1,886	1,567	319
4. Information	<u>140</u>	<u>133</u>	<u>7</u>
Subtotal	\$5,008	\$4,086	\$922
<u>Special Access:</u>			
1. Channel Termination	\$ 917	\$ 768	\$149
2. Channel Mileage - Termination	98	72	26
3. Channel Mileage - Facility	<u>39</u>	<u>33</u>	<u>6</u>
Subtotal	\$1,054	\$ 873	\$181
Total Switched TS and Special Access	\$6,062	\$4,959	\$1,103

The revenue requirement decreased in each category from the Part 69 Study submitted with the April 2, 1993 access tariff filing although not proportionately since the GSF rule change affects each category differently.

2) The company designed rates in each category which recover the

Following is a comparison of key access rates to the rates filed on April 2, 1993:

<u>Element</u>	<u>4/2/93</u>	<u>6/17/93</u>
Switched Traffic Sensitive:		
Local Switching	\$.007204	\$.005987
Transport Termination	\$.007285	\$.005786
Transport Facility	\$.000212	\$.000172
Directory Assistance	\$.524599	\$.500326

Special Access:

PERCENTAGE CHANGE SUMMARY

RATE CATEGORIES		Currently Proposed Rates (A)	Percentage Change* (B)	Rates Effective 7/1/83 (C)
Common Line				
END USER				
100	Multi-Line Business	N/A	N/A	N/A
110	Residence & Single Line Bus	N/A	N/A	N/A
Traffic Sensitive				
SWITCHING				
120	EOS Prem	0.007204	0.831028	0.005987
130	EOS Nprm	N/A	N/A	N/A
SWITCHED TRANSPORT				
140	LT Terminations - Prem	0.007285	0.794224	0.005786
150	LT Terminations - NPrm	N/A	N/A	N/A
160	LT Facilities - Prem	0.000212	0.810578	0.000172
170	LT Facilities - NPrm	N/A	N/A	N/A
180	Total Transport	N/A	N/A	N/A
INFORMATION				
190	Prem	0.524599	0.953731	0.500326
200	NPrm	N/A	N/A	N/A
210	SPECIAL ACCESS***	See Rates Below	See Rates Below	See Rates Below

* Source is GSF-2. Column F.

** Some companies offer "banded" Transport rates rather than subscribing to the NECA structure. For those LECs Rows 140-170, are "Not Applicable" (N/A). In that case, the Percentage Change on Row 180, (Column B) is applicable for all bands

*** The percentage change for Special Access is applicable to company specific, Special Access rates

Special Access - Primary Recurring Rates		Currently Proposed Rates (A)	Percentage Change (B)	Rates Effective 7/1/83 (C)
Chan Term-VG- 2 Wire		61.71	0.868579	53.60
Chan Term-VG-4 Wire		100.30	0.868485	87.11
Chan Term-High Cap.		331.95	0.868865	288.32
Chan Mile Term-VG-		45.77	0.734979	33.64
Chan Mile Term-High Cap		314.58	0.734985	231.18
Chan Mile Fac-VG		1.16	0.836207	0.97
Chan Mile Fac-High Cap.		6.16	0.829545	5.11

STUDY AREA: VIRGIN ISLANDS TELEPHONE CORPORATION

COST ANALYSIS SUMMARY

COST CATEGORIES	Rev Reqmt underlying Current Rates (A)	NRC&ICB Revenue in Column A** (B)	Recurring Rev Reqmt (C) = A-B	GSF Cost Changes*** (D)	Recurring Rev Reqmt adj for GSF Chngs (E) = C+D	Percentage Change* (F) = E/C
100 Common Line	N/A	N/A	N/A	N/A	N/A	N/A
110 BFP	N/A	N/A	N/A	N/A	N/A	N/A
120 ISW	N/A	N/A	N/A	N/A	N/A	N/A
130 PAY	N/A	N/A	N/A	N/A	N/A	N/A
140 Switched Traffic Sensitive	5,007,435	0	5,007,435	(921,081)	4,086,354	0.816057
150 Switching	1,885,829	0	1,885,829	(318,652)	1,567,177	0.831028
160 Transport	2,981,469	0	2,981,469	(595,945)	2,385,524	0.800117
170 Information	140,137	0	140,137	(6,484)	133,653	0.953731
180 Special Access	1,054,638	41,280	1,013,358	(180,908)	832,450	0.821477
190 Total Interstate Access	N/A	N/A	N/A	N/A	N/A	N/A

* Source is GSF-3, Column D.

** Companies which do not apply the Percentage Change to NON-Recurring and ICB rates. Companies that wish to alter their NRC and ICB's will populate this Column with zeroes.

*** Source is GSF-4, Column C

STUDY AREA: VIRGIN ISLANDS TELEPHONE CORPORATION

REVENUE REQUIREMENT UNDERLYING RATES

COST CATEGORIES	Rev Reqmt Proposed 4/2/93 (A)	EC Specific adjmts by Transmittal* (B)	EC Specific adjmts by Transmittal* (C)	Rev reqmt underlying Current Rates** (D) = A+B+C
100 Common Line	N/A	N/A	N/A	N/A
110 BFP	N/A	N/A	N/A	N/A
120 ISW	N/A	N/A	N/A	N/A
130 Pay	N/A	N/A	N/A	N/A
140 Switched Traffic Sensitive	5,007,435	0	0	5,007,435
150 Switching	1,885,829	0	0	1,885,829
160 Transport	2,981,469	0	0	2,981,469
170 Information	140,137	0	0	140,137
180 Special Access	1,054,638	0	0	1,054,638
190 Total Interstate Access	N/A	N/A	N/A	N/A

* Footnote transmittal numbers and dates associated with those views, if applicable.

** Agree with GSF-4, Column A.

STUDY AREA: VIRGIN ISLANDS TELEPHONE CORPORATION

GSF COST CHANGES

COST CATEGORIES	Rev Reqmt Underlying Current Rates (A)	Rev Reqmt restated for GSF (B)	GSF Cost Changes (C)=B-A
100 Common Line	N/A	N/A	N/A
110 BFP	N/A	N/A	N/A
120 ISW	N/A	N/A	N/A
130 PAY	N/A	N/A	N/A
140 Switched Traffic Sensitive	5,007,435	4,086,354	(921,081)
150 Switching	1,885,829	1,567,177	(318,652)
160 Transport	2,981,489	2,385,524	(595,965)

STUDY AREA: VIRGIN ISLANDS TELEPHONE CORPORATION

ANNUALIZED ACCESS
PRICE OUT COMPARISONS

COST CATEGORIES	Revenues @ Current Rates	Revenues @ 7/1/93 Rates	Changes
	(A)	(B)	(C) = B - A
100 Total Multi-Line Business (incl Spcl Acc Surcharge)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
110 Total Residence and Single Line Bus	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
120 Total Carrier Common Line	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
130 Total TS Switched (Excl DA)	<u>4,886,758</u>	<u>3,953,423</u>	<u>(913,335)</u>
140 Total Special Access	<u>1,011,140</u>	<u>872,424</u>	<u>(138,716)</u>
150 Directory Assistance	<u>140,137</u>	<u>133,853</u>	<u>(6,484)</u>

Note: Revenues are calculated using demand underlying current rates.
Demand used to calculate Column A and B revenues should be identical

Companies that participate in the NECA End User pool are not required to populate Rows 100 and 110

STUDY AREA: VIRGIN ISLANDS TELEPHONE CORPORATION

MULTI-LINE END USER RATE
FLOW THROUGH OF GSF COST CHANGES

100	BFP Revenue Requirement Underlying the April Rates	<u>N/A</u>
110	BFP Revenue Requirement recast for new GSF allocator	<u>N/A</u>
120	End User percentage change (Row 110/Row100)	<u>N/A</u>
130	Multi-Line Business Rate (proposed April 2, 1993)	<u>N/A</u>
140	New Proposed July 1, 1993 Multi-Line Business Rate*	<u>N/A</u>

* The results shown on Row 140 should be the lesser of \$6.00, and Row 120 times Row 130. If the result shown on Row 140 is less than \$3.50, Residence and Single Line Business End User rates must be filed at that level.